

# **SOUTH BEND REDEVELOPMENT COMMISSION REGULAR MEETING**

November 3, 2006

10:00 a.m.

Presiding: Marcia I. Jones, President

227 West Jefferson Boulevard  
South Bend, Indiana

## **1. ROLL CALL**

Members Present:

Ms. Marcia Jones, President  
Mr. Greg Downes, Secretary  
Mr. Hardie Blake, Jr.  
Mr. William Hojnacki

Members Absent:

Mr. Karl King, Vice President

Legal Counsel:

Ms. Cheryl Greene, Esq.

Redevelopment Staff:

Mr. Bill Schalliol, Economic Development Specialist  
Mrs. Cheryl Phipps, Recording Secretary  
Mr. Timothy Williams, Economic Development Specialist  
Mr. Andrew Laurent, Economic Development Specialist  
Mr. Nicholas Witwer, Economic Development Specialist

Others Present:

Ms. Sharon T. Kendall, Exec. Director  
Ms. Catherine Fanello, Controller  
Ms. Pam Paluszewski, Legal Dept.  
Ms. Michelle Tomchak, Community Development  
1<sup>st</sup> Sgt. Robert E. Rhodes, U.S.M.C.  
Col. Hoopingarner, U.S.M.C.  
Mr. Brian Conwell, Elkhart Plastics

## **2. APPROVAL OF MINUTES**

### **A. Approval of Minutes of the Regular Meeting of Friday, October 20, 2006.**

Upon a motion by Mr. Downes, seconded by Mr. Hojnacki and unanimously carried, the Commission approved the Minutes of the Regular Meeting of Friday, October 20, 2006.

COMMISSION APPROVED THE MINUTES OF THE  
REGULAR MEETING OF FRIDAY, OCTOBER 20,  
2006

South Bend Redevelopment Commission  
Regular Meeting –November 3, 2006

**3. APPROVAL OF CLAIMS**

Redevelopment Commission Claims submitted November 3, 2006 for approval.

305 SBCDA 2003 BOND

Kaser-Spraker Construction	19,690.38
Walker Parking Consultants	500.00

324 AIRPORT AEDA

South Bend Tribune	88.72
City of South Bend	1,376.13
Ken Herceg & Associates	4,468.00
SBD Reprographics	143.18
Tri County News	58.62
Owner's Association at Blackthorn, Inc.	14,011.12
Inteleconnect, Inc.	3,000.00
Lamar Advertising Company	3,168.73
Meridian Title Corporation	250.00

American Electric Power	500,000.00
CFH Landscape Service	1,260.00
Meridian Title Corporation	235.00

Relocation & upgrade of  
substation AEDA

H & G Services	130,730.00
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Lot 3-A Blackthorn Sewer &  
Watermain

414 SAMPLE EWING GENERAL

South Bend Water Works	167.97
CFH Landscape Services	2,664.00

420 FUND TIF DISTRICT-SBCDA GENERAL

Engineering Dept.	4,316.46
AT & T	60.14
South Bend Water Works	99.00
CFH Landscape Service	655.00
Indiana Michigan Power	189.82

South Bend Redevelopment Commission  
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**3. APPROVAL OF CLAIMS (CONT.)**

424 FUND TIF SBCDA BUILDING OPERATIONS

CB Richard Ellis	166.20
Bob Plumbing & Heating	143.75
Ampco System Parking	400.00

428 FUND AIRPORT 2003 BOND

Waggoner Farms Development L.D.	147,816.06	Closing fee Dylan
Meridian Title Corporation	2,183.94	
Walsh & Kelly	128,801.58	Bendix & Lathrop Dr
Walsh & Kelly	121,398.68	Dylan Dr Extension

\$ 1,088,042.48

Upon a motion by Mr. Downes, seconded by Mr. Hojnacki and unanimously carried, the Commission approved the Claims submitted November 3, 2006, and ordered checks to be released.

COMMISSION APPROVED THE CLAIMS  
SUBMITTED NOVEMBER 3, 2006, AND ORDERED  
THE CHECKS TO BE RELEASED

**4. COMMUNICATIONS**

There were no Communications.

THERE WERE NO COMMUNICATIONS

**5. OLD BUSINESS**

**A. Other**

- (1) **Commission approval requested for  
Community Development Program  
Contract for Section 108 Loan Funds.  
(3/2/06 – 12/31/06)**

Item 6.A.(1) was tabled.

Item 6.A.(1) was tabled.

## **6. NEW BUSINESS**

### **A. Tax Abatements**

- (1) Commission approval requested for Resolution No. 2278 approving an application for real property tax deduction for property located at 3300 North Kenmore St. in the Airport Economic Development Area. (Elkhart Plastics, Inc.)**

Mr. Schalliol gave the staff report on the project. Elkhart Plastics is a custom plastics processor using a rotational molding process. Products manufactured include yellow crash barrels for highway safety and a wide variety of large, hollow products shipped up to 500 miles from the facility. The company plans to increase office space by 6,500 square feet and remodel an existing 3,700 square foot building to serve as the North American headquarters for Promens, the largest rotational molding company in the world, presently headquartered in Reykjavik, Iceland. New construction guidelines for industrial city-wide tax abatement require 10,000 square feet. The combined remodeling and additional office space of this project equal 10,200 square feet.

The petitioner has not received any previous tax abatements. The property is properly zoned for the proposed use. The property is located in the Airport Economic Development Area, which is a Tax Increment Allocation Area; therefore, the petition for real property tax abatement must first be approved by the South Bend Redevelopment Commission. The project qualifies for a four-year real property abatement under the tax abatement ordinance.

## **6. NEW BUSINESS (CONT.)**

### **A. Tax Abatements**

#### **(1) continued...**

The estimated project cost is \$600,000. The project is expected to create 20 new permanent full-time jobs representing a new annual payroll of \$1,000,000. The project will also maintain 30 existing full-time positions with an annual payroll of \$1,300,000. Estimated taxes to be abated over the four year period are \$51,270. The total taxes to be paid during the four-year abatement period are estimated at \$30,762.

Upon a motion by Mr. Hojnacki, seconded by Mr. Downes and unanimously carried, the Commission approved Resolution No. 2278 approving an application for real property tax deduction for property located at 3300 North Kenmore St. in the Airport Economic Development Area. (Elkhart Plastics, Inc.)

COMMISSION APPROVED RESOLUTION NO. 2278 APPROVING AN APPLICATION FOR REAL PROPERTY TAX DEDUCTION FOR PROPERTY LOCATED AT 3300 NORTH KENMORE ST. IN THE AIRPORT ECONOMIC DEVELOPMENT AREA. (ELKHART PLASTICS, INC.)

### **B. Housing**

#### **(1) Commission approval requested for Loan and Grant in connection with the South Bend Home Improvement Program for property located at 618 E. Dubail Street. (Betty M. Cassler)**

Mr. Schalliol noted that the amount of the loan is \$4,250; the amount of the grant is \$12,500.

Upon a motion by Mr. Downes, seconded by Mr. Hojnacki and unanimously carried, the Commission approved the Loan and Grant in connection with the South Bend Home Improvement Program for property located at 618 E. Dubail Street. (Betty M. Cassler)

COMMISSION APPROVED THE LOAN AND GRANT IN CONNECTION WITH THE SOUTH BEND HOME IMPROVEMENT PROGRAM FOR PROPERTY LOCATED AT 618 E. DUBAIL STREET. (BETTY M. CASSLER)

**6. NEW BUSINESS (CONT.)**

**B. Housing**

- (2) Commission approval requested for Loan and Grant in connection with the South Bend Home Improvement Program for property located at 818 Kosciuszko St. (Josefina Bueno)**

Mr. Schalliol noted that the amount of the loan is \$4,300; the amount of the grant is \$12,500.

Upon a motion by Mr. Downes, seconded by Mr. Hojnacki and unanimously carried, the Commission approved the Loan and Grant in connection with the South Bend Home Improvement Program for property located at 818 Kosciuszko St. (Josephona Bueno)

COMMISSION APPROVED THE LOAN AND GRANT IN CONNECTION WITH THE SOUTH BEND HOME IMPROVEMENT PROGRAM FOR PROPERTY LOCATED AT 818 KOSCIUSZKO ST. (JOSEPHONA BUENO)

**C. South Bend Central Development Area**

- (1) Commission authorization requested from the United States Marine Corps to use Commission owned property at 412 S. Lafayette Blvd. for its Toys for Tots program from November 3, 2006 through January 15, 2007.**

Mr. Williams noted that the U.S. Marine Corps has requested use of Commission owned property at 412 S. Lafayette Blvd. for its Toys for Tots program beginning November 3, 2006 and running through January 15, 2007. They have supplied a certificate of insurance naming the City of South Bend and the Redevelopment Commission as co-insureds and a signed indemnification prepared by the city's legal department. Staff requests approval of the request.

**6. NEW BUSINESS (CONT.)**

**C. South Bend Central Development Area**

**(1) continued...**

Upon a motion by Mr. Hojnacki, seconded by Mr. Blake and unanimously carried, the Commission authorized use of 412 S. Lafayette Blvd by the U.S. Marine Corps for its Toys for Tots program beginning November 3, 2006 and ending January 7, 2007.

COMMISSION AUTHORIZED USE OF 412 S. LAFAYETTE BLVD BY THE U.S. MARINE CORPS FOR ITS TOYS FOR TOTS PROGRAM BEGINNING NOVEMBER 3, 2006 AND ENDING JANUARY 7, 2007.

**D. Sample-Ewing Development Area**

**(1) Commission approval requested for proposal for professional services in the Sample-Ewing Development Area. (Environmental review, 1217 S. Walnut St.)**

Mr. Schalliol noted that staff solicited a proposal from Wightman Petrie Environmental Services to provide environmental review and related professional services for the former Kokoku Wire facility. Wightman Petrie Environmental has previously provided both a Phase I and a Phase II environmental review of the site. Lock Joint Tube, a potential purchaser of the site, is reviewing and examining some potential environmental situations on the site. Wightman Petrie will provide the Commission with overview and coordination services. The cost is a not-to-exceed amount of \$5,000. Staff recommends accepting the proposal.

Upon a motion by Mr. Downes, seconded by Mr. Blake and unanimously carried, the Commission approved the request for

COMMISSION APPROVED THE REQUEST FOR PROPOSAL AND ACCEPTED THE PROPOSAL FROM WIGHTMAN PETRIE ENVIRONMENTAL SERVICES FOR THE SCOPE OF SERVICES AND FEE PROPOSED

**6. NEW BUSINESS (CONT.)**

**D. Sample-Ewing Development Area**

**(1) continued...**

proposal and accepted the proposal from Wightman Petrie Environmental Services for the scope of services and fee proposed.

**E. Airport Economic Development Area**

**(1) Commission approval requested for Deed of Dedication in the Airport Economic Development Area. (Dylan Drive)**

Mr. Witwer noted that the Redevelopment Commission has closed on the transaction to acquire the necessary right-of-way to construct Dylan Drive. Accordingly, staff recommends the Commission dedicate the land they acquired to the Board of Public Works by approving and executing the form of Deed of Dedication. This document is needed to allow a pending plat and building permit to be issued on an expedited basis.

Upon a motion by Mr. Downes, seconded by Mr. Hojnacki and unanimously carried, the Commission approved the Deed of Dedication for Dylan Drive in the Airport Economic Development Area.

COMMISSION APPROVED THE DEED OF DEDICATION FOR DYLAN DRIVE IN THE AIRPORT ECONOMIC DEVELOPMENT AREA.

**F. South Bend Medical Services District**

There was no business in the South Bend Medical Services District.

**G. West Washington-Chapin Development Area**

There was no business in the West-Washington-Chapin Development Area.



**6. NEW BUSINESS (CONT.)**

**H. South Side Development Area**

- (1) Commission approval requested to appoint the Board of Public Works as its agent for construction of infrastructure improvements in the South Side Development Area. (NW corner of Ireland and Fellows)**

Mr. Schalliol noted that the Commission sold a property at the northwest corner of Ireland and Fellows. As part of the land sale the Commission agreed to use the proceeds from the land sale to make curb and sidewalk improvements along the site. We hope to have those improvements made yet this year.

Ms. Greene noted that this item was added to the agenda at the last minute. Typically, an Agency Agreement is approved together with the resolution. The Agency Agreement lays out the scope of services for the Board of Works and the resolution evidences the Commission's appointment of the Board of Works to act as the Commission's agent. The Board of Works would pass a matching resolution accepting responsibility as the Commission's agent. If the Commission is comfortable approving a standard form of agency agreement to be prepared by Legal Counsel, then this item can move forward today without bringing this matter back before the Commission. Of course, if there were any material changes to the Commission's standard agreement, it would require additional action by the Commission.

## **6. NEW BUSINESS (CONT.)**

### **H. South Side Development Area**

#### **(1) continued...**

Upon a motion by Mr. Downes, seconded by Mr. Hojnacki and unanimously carried, the Commission approved the terms of an Agency Agreement with the Board of Public Works for infrastructure improvements in the South Side Development Area. (NW corner Ireland and Fellows)

COMMISSION APPROVED THE TERMS OF AN AGENCY AGREEMENT WITH THE BOARD OF PUBLIC WORKS FOR INFRASTRUCTURE IMPROVEMENTS IN THE SOUTH SIDE DEVELOPMENT AREA. (NW CORNER IRELAND AND FELLOWS)

### **I. Northeast Neighborhood Development Area**

There was no business in the Northeast Neighborhood Development Area.

### **J. Douglas Road Economic Development Area**

There was no business in the Douglas Road Economic Development Area.

### **K. Other**

## **7. PROGRESS REPORTS**

Mr. Witwer reported that PEI Genesis has started construction on its new 150,000 sft building in the Airport Economic Development Area.

### **PROGRESS REPORTS**

Mr. Witwer also reported that Cressy & Everett has started excavation and grading on Lots 4, 5 and 6 on the land the Commission sold them in the U.S. 31 Industrial Park..

Mr. Laurent gave an update on the acquisition of the Norfolk Southern rail yard. In early October the Commission approved the agreement to acquire the yard and advised staff to begin the environmental testing necessary. Some preliminary results have come in from

**7. PROGRESS REPORTS (CONT.)**

the environmental testing and they were much better than we'd hoped. We'll have final results by the November 17 Commission meeting. We have until December 3 to respond to Norfolk Southern with any environmental issues we have.

Mr. Laurent also noted that there is a complimentary project to the Commission's building it leased to the Studebaker National Museum. It's a \$1.3M project to turn the old Jelly's Bar into the museum's archives. That project has begun and has a 10-month horizon to completion. It involves building a new two-story steel structure inside the walls of Jelly's Bar because of the high-volume archival system the museum is instituting.

**8. NEXT COMMISSION MEETING**

The next meeting of the Redevelopment Commission is scheduled for Friday, November 17, 2006 at 10:00 a.m.

NEXT COMMISSION MEETING

**9. ADJOURNMENT**

There being no further business to come before the Redevelopment Commission, Mr. Downes made a motion that the meeting be adjourned. Mr. Hojnacki seconded the motion and the meeting was adjourned at 10:20 a.m.

ADJOURNMENT

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Donald E. Inks, Director

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Marcia I. Jones, President